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21 September 1948

Director's Conference Room  
2:00 p.m.

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Present: Lawrence R. Houston  
E. R. Saunders  
Sheffield Edwards  
[REDACTED]

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HOUSTON: This is a project presented by the Executive for Inspection & Security for the allocation from unvouchered funds of \$103,000 for the use of the Research Division of his office. The statement is made that this is not a request for additional total funds but an allocation required because of security reasons from unvouchered funds.

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[REDACTED] I have one question -- is there any increase in funds not already provided for I&S as a result of this project?

SAUNDERS: I can answer that -- project doesn't require additional funds -- just a switchover from vouchered funds.

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[REDACTED] I assume that in the administration of this fund that, in general, they will be used, accounted for, and audited in the same manner as vouchered funds.

SAUNDERS: Funds will be handled by Special Services Division by

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[REDACTED] on the same basis as EIB and Contact Funds.

EDWARDS: They will be handled by [REDACTED] and yourself (to Saunders)? In other words, they will be kept apart as they are now in OSO?

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[REDACTED] The use and accounting for will follow the same methods and will require the same justifications as if on vouchered funds.

SAUNDERS: The per diem will be \$6.00 a day?

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EDWARDS [REDACTED]: That is right.

HOUSTON: I have a question to ask about Tab B under the column "Special Funds" -- total unvouchered \$221,701 total allocation for the fiscal year.

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[REDACTED] What do you mean by Special Funds?

HOUSTON & SAUNDERS: Special Funds and Unvouchered Funds are synonymous.

HOUSTON: In that column -- the first item of \$78,701 -- was there anything requested for Personal Services before this? How is \$103,000 now being asked for being absorbed in the \$221,701.

EDWARDS: We have asked for \$70,000, plus \$8,000 for incidentals, plus travel \$25,000.

HOUSTON: The others are already taken up by approved projects?

EDWARDS: This is a budget matter to show that it could be done within the funds allocated and to show that we were allotted funds for travel of the "I" branch. We are trying to help justify.

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[REDACTED]: One other thing -- will any of these unvouchered funds be used for the purchase of information?

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[REDACTED] EDWARDS: Yes

HOUSTON: That comes under .07, doesn't it?

SAUNDERS: Yes

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[REDACTED] I have nothing further to ask.

HOUSTON: No further questions?

SAUNDERS: Suggest even \$100,000 rather than \$103,000.

Unanimous agreement.

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